



Senate

General Assembly

File No. 516

February Session, 2002

Substitute Senate Bill No. 598

Senate, April 16, 2002

The Committee on Finance, Revenue and Bonding reported through SEN. LOONEY of the 11th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING PROPERTY TAX EXEMPTIONS FOR CERTAIN SOCIAL SERVICE ENTITIES AND CERTAIN SUBSIDIZED HOUSING.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (7) of section 12-81 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage and applicable to assessment years commencing on or after October 1,*
4 *2002*):

5 (7) Subject to the provisions of sections 12-87 and 12-88, the real
6 property of, or held in trust for, a corporation organized exclusively for
7 scientific, educational, literary, historical or charitable purposes or for
8 two or more such purposes and used exclusively for carrying out one
9 or more of such purposes and the personal property of, or held in trust
10 for, any such corporation, provided (A) any officer, member or
11 employee thereof does not receive or at any future time shall not
12 receive any pecuniary profit from the operations thereof, except

13 reasonable compensation for services in effecting one or more of such
 14 purposes or as proper beneficiary of its strictly charitable purposes,
 15 and [provided] (B) in 1965, and quadrennially thereafter, a statement
 16 shall be filed on or before the first day of November with the assessor
 17 or board of assessors of any town, consolidated town and city or
 18 consolidated town and borough, in which any of its property claimed
 19 to be exempt is situated. Such statement shall be filed on a form
 20 provided by such assessor or board of assessors. On and after July 1,
 21 1967, housing subsidized, in whole or in part, by federal, state or local
 22 government and housing for persons or families of low and moderate
 23 income shall not constitute a charitable purpose under this section. As
 24 used in this subdivision, "housing" shall not include a transitional
 25 housing facility such as an orphanage, a drug or substance abuse
 26 treatment or rehabilitation facility, or a shelter for the homeless,
 27 mentally or physically handicapped persons or battered women.

This act shall take effect as follows:	
Section 1	<i>from passage and applicable to assessment years commencing on or after October 1, 2002</i>

FIN *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: Minimal, see explanation.

Explanation

Although data is not available to determine which facilities in which municipalities would qualify for the property tax exemption, it is assumed that the number of facilities in any one municipality would be small and the effect on their grand list minimal.

OLR Bill Analysis

sSB 598

AN ACT CONCERNING PROPERTY TAX EXEMPTIONS FOR CERTAIN SOCIAL SERVICE ENTITIES AND CERTAIN SUBSIDIZED HOUSING**SUMMARY:**

The bill allows transitional housing facilities to qualify for the mandatory property tax exemption for property used exclusively for charitable purposes. Under the bill, such facilities include orphanages; drug or substance abuse treatment or rehabilitation facilities; and shelters for the homeless, mentally or physically handicapped people, and battered women.

Under current law, government-subsidized housing and low- and moderate-income housing does not qualify for the charitable purposes exemption.

EFFECTIVE DATE: Upon passage and applicable to assessment years starting on or after October 1, 2002.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 37 Nay 7